Smuggling of vintage cars

2817. DR. BAPU KALDATE:
SHRIMATI KAMLA SINHA:

Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware of the smuggling of vintage cars from the country for selling them in the international market;

(b) if so, what is the number of cases that have come to light so far;

(c) what is the modus operandi of the vintage car smugglers; and

(d) what steps have been taken by Government to check it?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) to (d) In March, 1991, three vintage cars and one toy car were exported from I.C.D., Ahmedabad on the basis of forged documents by misdeclaring them as "Indian Handicrafted Assembly Unit (L.M.V.)". The modus operandi was analysed and disseminated to the field formations, who were also alerted against such smuggling. Since then, no instance of smuggling of vintage cars has been reported.

Tax arrears written off by Government

2818. SHRI SURESH PACHOURI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that recently, Government have written off many income tax arrears which were due from tax payers in the country; and

(b) if so, what are the details thereof and also the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) No, Sir. Only such arrears are written off which become clearly irrecoverable, after exhausting all the modes of recovery provided in the Income Tax Act, and by following the guidelines for this purpose.

(b) In view of reply to part (a), question does not arise.

2819. [*Transferred to the 20th August, 1992*]

Irregularities in Inter-Bank Transactions of securities

2820. SHRI KRISHNA KUMAR BIRLA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Grindlays Bank has refuted the claim of NHB and RBI Subsidiary with regard to latter's owing over Rs. 300 crore to the NHB;

(b) if so, whether the issue has been settled, if not, the reasons therefor; and

(c) what are the other inter-bank transactions of securities which have been squared up and those which are disputed stating the reasons for the non-settlement of the disputed transactions?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) and (b) Reserve Bank of India have reported that ANZ Grindlays Bank has since made a provision of Rs. 506 crores in its books as "NHB Provision Reserve" without prejudice to its legal rights and contentions.

(c) The Committee set up by Reserve Bank of India under the Chairmanship of Shri R. Janakiraman, Dy. Governor, Reserve Bank of India to look into possible irregularities in funds management by commercial banks and financial institutions, in its second interim report has assessed the problem exposure of banks/institutions at Rs. 3,192.79 crores, against which they do not hold either securities, SGL transfer forms or BRs or do not appear to have sufficient backing.

Advice sought from foreign Bank experts to prevent recurrence of securities scam

2821. SHRI MURLIDHAR CHANDRAKANT BHANDARE:
SHRI RAJUBHAI A. PARMAR:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that advice from foerign banks and banking experts

has been sought to leave no scope for securities scam of the nature as has taken place lately;

(b) if so, what are the details thereof; and

(c) what is their response indicating the details of the advice tendered?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) No, Sir.

(b) and (c) Do not arise.

India's low competitiveness

2822. SHRI B. K. HARIPRASAD: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that India's competitiveness is lower as per IMD as reported in the Economic Times dated the 24th June, 1992;

(b) if so, what are the details thereof; and

(c) what corrective steps are proposed to be taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) and (b) The world competitiveness report, 1992 jointly issued by the World Economic Forum and the IMD Lausanne has ranked separately, the members of the OECD plus Hungary, and 14 newly industrialised countries (consisting of Brazil, Hong Kong, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Pakistan, Singapode, South Africa, Taiwan, Thailand and Venezuela). The ranking is done on the basis of 330 criteria divided into 8 broad categories, namely, domestic economic strength, internationalisation, government, finance' infrastructure, management, science and technology and people. Among the newly industrialised countries, India ranks 8th in domestic economic strength 9th in people, 11th in government, finance and management, 12th in science & technology, 13th in infrastructure and 14th in internationalisation. Although India ranks 11th in overall performance, India's ranking is 5th in export diversification and education, 4th in justice and security, 3rd in total R&D personnel, 2nd in industrial production and Ist in availability of skilled manpower.

The 1991 report considered only 10 newly industrialised countries in which India was rated 4th in science & technology economic strength, 9th in Government and finance, 10th in internationalisation, infrastructure and people.

(c) In the latter half of 1990-91 Government undertook a package of macroeconomic stabilisation measures such as exchange rate adjustment, fiscal correction and tight monetary policy alongwith structural reforms in trade, industrial, financial and public sectors. During current year the government has undertaken additional measures such as further reduction in fiscal deficit, rationalisation of taxes and duties, introduction of partial convertibility of the rupee, massive reduction in quantitative restrictions on trade, further liberalisation of foreign investment and capital markets, etc. Government's macro-economic and sectoral policies for the medium-term have been spelt out in detail in the Eighth Five Year Plan which has been recently adopted. These policies are expected to increase efficiency and productivity and thereby enhance India's international competitiveness and import dynamism to the country's growth process.

India's external debt

2823. SHRI S. K. T. RAMACHANDRAN: Will the Minister of FINANCE be pleased to state:

(a) whether there are proposals under Government's consideration to unify the dual exchange rate system, to slash down fertiliser and food subsidies; and to make an upward revision in the selling prices of petroleum products;

(b) what is the cumulative outstanding external debt burden of India in terms of rupees and U. S. dollars;

(c) what is the amount that India owes to world Bank, I.M.F. and other lending foreign institutions;